

A restaurant marketing report from



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One of the most common mistakes many restaurants make is that they spend a lot of energy trying to get "new" customers; while making very little effort to keep their "existing" customers coming back.

In other words, they allocate most of their budget to getting new customers to come through the doors, but hardly invest any of their marketing pounds on keeping their existing customers spending money with them.

To be clear, a successful restaurant is not about who gains the most new customers; it's about who gains the most PROFITS in the end. A true "loyal" customer is cultivated over time; not one who dines once and they're gone.

Business owners who only focus on attracting new customers usually find out the hard way that many of their customers won't stick around for the long-haul.

Therefore, instead of looking for a million of ways to attract "new" customers, restaurants must pay more attention towards their existing customers.



What is customer retention?

Simply put, this is the act of applying effective strategies and techniques that prompt your existing customers to always come back to your restaurant when they want to go out for a meal.

Of course, customer loyalty heavily depends on how good (or bad) your food is – as well as how good (or bad) your customer service is. However, without solid processes that actively keep your existing customers coming back, even the best meals and best customer service won't necessarily keep your business afloat alone.

Some restaurants already understand that REPEAT business should be one of their top goals; so they are aggressively implementing powerful customer loyalty and retention strategies.

What does this mean for your restaurant?

Well, if you are not on the same track, you could be losing some of your customers to your competition. Not only that, but those competitors who are, or are about to be, using customer retention tactics will make your customers STAY with them.

A loyal customer can be further described as:

- Someone who regularly dines at your restaurant
- Someone who refers others to your restaurant
- ① Someone who *ignores* the competition

Loyal customers are hard to come by; so HOW do you make it happen?

Ways You Can Build Customer Loyalty and Retention

You may be wondering "how" your restaurant can build stronger customer loyalty.

In this report, we are going to quickly review some procedures you can implement into your marketing mix that will help keep your existing customers coming back to dine with you time after time

Not only that, but you will also learn some ways to "keep" them in a longlasting relationship with you – ultimately leading to a boost in your bottom line.

Every business should make a serious effort to devote adequate time and apply the appropriate budget to the area of "customer loyalty" if they want the best results.



Don't know where to start?

Here are 16 methods that can help you keep in touch, build relationships and get more repeat customers to your restaurant...

1. Email Marketing

Email marketing is without doubt the most powerful marketing tool available to a restaurant today. I have lost count of the number of restaurants that I have seen not only survive but thrive after they started the simple process of keeping in touch with their customers by email. I have even seen restaurants who have been able to stop all other forms of paid advertising due to the results from their own email newsletter.

Building a relationship with your customers via email allows you to keep them up to date on your restaurant, your menu and your special offers.

With email marketing, you'll be able to reach people in the comfort of their own home – or wherever they are, as many people check their email on their mobile phone. In other words, you can keep your restaurant in the forefront of their minds when they are looking to eat out or have a takeaway.

Email is a great tool for relationship-building with your customers because you have the ability to personalise your communication – creating trust and credibility.

Your responses will be delivered instantly and the emails are traceable so it's easy to track how well your campaigns are working for you.



The great news is that it's very easy (and cheap) to create an email newsletter for your restaurant using software such as Getresponse who I have used to run my own newsletters and those of my clients for over 10 years. They make it very simple to create a great looking email newsletter in minutes and will even let you try their service for 30 days totally free. You can see details of Getresponse by clicking here.

You may also like to take a look at my Restaurant Marketing Solution that will help you to build an email list of thousands of local diners within a matter of weeks. What's more I'll show you how you can do it yourself for free, or I can do everything for you at a very low cost. You can see full details of The Restaurant Marketing Solution by <u>clicking here</u>.

2. Email Coupons

Email coupons are another great reason to have an email newsletter for your restaurant (as mentioned above). It has been proven that sending out email coupons can increase the number of times a customer returns to a restaurant. Diners simply love getting "deals" so your customers would be more than happy to receive a coupon discount or special offer from you in their email inbox from time to time.

Offering coupons and other special discount offers will help your customers pay less attention to your competition and more attention to you.

Here are some best practices that you can take away about email coupon marketing:

- Try different types of offer over time (eg discount / free wine / free starter etc) and track the results of each so you know which offers work best to bring in the customers.
- Do not bombard your email subscribers with message after message. I'd suggest once a week at the most or you'll find some subscribers leaving your list.
- Set an expiration date on the coupons to create a sense of urgency.

- Include social media 'share this' link in your emails so you'll be able to reach more local consumers without any additional effort.



3. Text Message Marketing

Just like email, text message marketing is a very effective way of reaching your loyal customers and generating more sales. As a matter of fact, it could help you reach your target audience even faster.

Millions of mobile consumers keep their mobile phones within arm's reach at all times; meaning most of them will see your message within minutes of you sending it... What other form of marketing can claim that?

Happy customers are likely to respond right away when they receive your special text message offers. Instead of waiting for your audience to reach out to you, text message marketing allows you to be proactive just by sending a quick text message.

Once your text message subscribers send a text message to your mobile short code, they will automatically be added to your mobile subscriber list – which means they are opting-in to receive future messages and offers from you.

Here are some benefits of text marketing:

- **Fast delivery**. Seconds after sending your text message, your customers will open and read it.
- **Reliability**. Compared to email marketing where you have to fight against spam and other filters, there are no barriers with text messaging. You will then be assured that your message will be received and read right away.
- **Unlimited market-reach**. Text messaging is the fastest way to communicate with people... and it's the same thing when marketing a restaurant. Can you imagine the number of people you'll be able to reach with just the click of a mouse?
- Direct and to the point. E-mails are pretty long compared to text messages, which means text messages take a lot less time to prepare.
 With a limited number of text message characters, businesses are forced to omit irrelevant information and go directly to the whole point of sending the text message.

4. Mobile-Friendly Website

Let's say one of your happy customers is out and about and decide that they want to book a table with you...

So they whip out their mobile phone and do an internet search to find your phone number... but when they land on your website, the website does not load. Or if it does, they have scroll like crazy just to find the information they need.

Not only will this be a frustrating experience for your mobile customers, but it's one that can sometimes lose you business.

Try visiting your website on an iPhone or other mobile phone. Does it work ok? Is your website mobile optimised so you can easily see all the

information or do you need to scroll around and zoom in to find anything? If so, is it possible you could be losing business because of this?

The world is mobile... your customers are mobile... isn't it about time for YOU to become mobile?

The good news is, even if your existing site is not currently mobile optimised, I can offer you a solution that doesn't involve you spending a fortune on a new website, or changing your existing site at all. You can see full details of this service by <u>clicking here</u>.



5. Social Media Marketing

With more than one billion people using social media to connect with friends, family, and businesses, it is safe to assume that social media is here to stay and will not be going away anytime soon.

Who doesn't use social media such as Facebook and Twitter these days?

Only a handful of people and if you really think about it, millions of people all around the world as well as those just around the corner, can be reached quickly and easily through the various social media networks.

This is great news for restaurants around the world because social media has opened the doors to create real-time consumer to business interaction online. This is a huge opportunity to connect with your local customers and keep them engaged.

Socialisation is perfect for building strong relationships with your customers as you watch them continue to do business with you – as well as refer your restaurant to others within their friend networks.

You can market your restaurant on the most popular social media sites such as Twitter, Facebook, LinkedIn, Google+, YouTube, etc. Your customers will be able to leave feedback or questions about your food and service right on your pages; giving your brand a chance to shine by publicly responding and providing excellent service.

Responding to customer concerns – and even customer praise – shows that your company really cares about your customers. Showing that you place value on your customers' happiness will ultimately lead to repeat visits and a higher level of customer retention over time.



6. Monitoring and Responding to Customer Reviews

Have you ever read a product review on something you were considering purchasing? If you can recall that specific review, how did it affect the way you felt about the product after reading the whole thing?

A positive review probably had you set on buying it, right?

A bad review probably had you running the other way...

This is exactly how your customers will feel when they come across negative information about your restaurant online. Just because they may have had nothing but good experiences with your restaurant in the past does not mean that they will ALWAYS hold that image to heart.

Consumers today fully trust what other consumers have to say about a product, company, or restaurant online – whether it's true or not. This means if your "satisfied" customers come across negative comments regarding your company, chances are that your image can be tarnished by them – making them seek out other alternatives... a.k.a – your competition.

Want to really put your customer loyalty on a high level? Ask your happy customers to leave reviews for you on the various online review sites such as Google+, Yelp, your Facebook page, Trip Advisor etc.

Happy customers will likely leave a positive review but do not offer an incentive for doing so because that could be considered "bribing," which could backfire.

So you know the best way to accomplish this? Just provide great food and service and they will be happy to leave a good review for you! It's as simple as that.

Over time, you will see the level of online reviews get better and better for your restaurant as long as you continue to offer quality food and great service. This in turn will keep your existing customers coming back for more – as well as attract new customers.

7. Online Reputation Management & Branding

To build upon customer reviews, which we talked about in the last section, an overall good business reputation is something that your existing customers expect from you.

The last thing you want to happen is for your loyal customers to move over to one of your competitors because of a bad online reputation.

Can you afford to see them go elsewhere – taking a risk that they'll never come back? The most important thing to remember here is to be extra careful about what content is published about your restaurant online.

How are you marketing your brand on the internet? Are you flooding the web with good, helpful content in regards to your industry? Are you keeping your personal opinions off of your business pages? Are you even paying attention to your online reputation at all?

Not only do you need to monitor and respond to things that are being said about your brand online; but you also need to continuously build brand awareness using various methods to help your customers remember YOU when it matters most.

Remember, your happy customers can still leave you in just a blink of an eye; but don't let it be because of your online reputation, which can be monitored, managed, and controlled.



8. Providing a Quality Product and Service

To be honest, it does not matter how good your marketing strategies are if your food quality or service is lacking. In other words, your customers don't expect your meals or your service to ever lose their excellence – in fact, they expect them to get better and better.

This does not mean that you should simply drop the price of your product or service. Many consumers today associate "cost" with "quality;" so if your cost is too far below your competitors', a red flag could be raised with your customers as they start to question how good your restaurant really is compared to your competition.

Instead, put all of your efforts into making your menu and service as topquality as they can be; as long as you can accomplish that goal, many of your happy customers couldn't care less about paying a slightly higher price for it.



9. Excellent Customer Service

If you don't invest in providing an excellent customer service experience for your customers, chances are they won't be coming back very often. No one can deny that your level of customer service can boost or kill your reputation – seriously impacting your ability to get both new and repeat business.

There's no question about this. Every restaurant knows the importance of customer service and it's not as simple as it sounds. Each customer will have different needs and demands which can be difficult to fulfill at times.

However, as a business that thrives off of satisfied customers, you have no choice but continue to make them happy if you want that long-term connection with them.

Proactively address customer concerns and complaints in order to put them at ease so they will continue to trust your restaurant.

When your customers feel valued, respected, and appreciated, their loyalty soars – and so do your profits.



10. Keep it Personal

Studies have shown that personalisation in just about any marketing technique can really boost effectiveness. This is because people naturally like to feel "special."

Keeping your marketing messages personal is not as hard as you may think it is. It's as simple as adding a special personal touch to your emails, text messages, social media responses – such as addressing them by their first name and speaking directly to them as one person (where applicable).

This will make your customers create an even more personal bond with your business, resulting in an even longer connection.



11. Stay Consistent

If you go too long without communicating with your customers, your "relationship" with them will fade away. It's almost like a real-life relationship... Unless you nurture it and be attentive, you will be left to wonder how it dwindled away.

Therefore, be sure to schedule in special maintenance check-in messages even when there are periods of time where you do not have a special offer to make. This is a good time to provide your customers with valuable info or even ask them for feedback on your restaurant.

You can also take a step further by sending out thank you cards to your customers or even making a phone call just to say "thank you." You will be surprised how far this will go in terms of creating long-lasting relationships with them.



12. Make Sure Your Employees are Happy

Nothing turns off a customer more than a negative, grumpy waiter or waitress. No matter how good your food is, an employee can quickly ruin it for some of your customers.

Unfortunately, consumers' dining habits often correlate with the demeanor and behavior of employees... For instance, if an employee is disrespectful to a customer, that customer will probably not come back to you very soon.

If an employee is great and goes out of their way to help a customer, the customer is highly likely to return again and again.

Therefore, it is critical that your waiters, waitresses and other staff always come across friendly, helpful, and positive otherwise, you risk losing customers due to something that could have been avoided with the proper guidelines in place. Employee customer service training is a great place to start to derail any potential pitfalls.

Make sure they all fully understand that how they treat your customers has a direct impact on customer retention – and ultimately, their job security.



13. Maintain a Clean and Comfortable Environment

You'd think it goes without saying that you have to make sure your restaurant is clean and comfortable if you want your customers to continue to come back time after time.

However, it's amazing to see that some restaurants don't put this high enough up their list of priorities.

For instance, a restaurant that keeps dirty tables and messy counters can instantly turn off customers. No one wants to eat in a unsanitary environment no matter how good the food tastes.



14. Ask Your Customers What They Want

Customer surveys are powerful when it comes to keeping your customers flocking to your restaurant. By taking the time to find out what they're looking for, what they think you can improve upon, etc., you give your customers comfort in knowing that you really care about what they think.



Because of that, they will continue to do business with you in anticipation that you will get better and better at giving them what they want and need. Their feedback can also help with new menu ideas, deciding on special offers etc.

15. Under-Promise and Over-Deliver Every Time

Want to really see your customers giving you kudos? Simply give more than you promise. In just about any type of business, this strategy will help you keep your customers around for a long time.

Value-added items, such as occasional freebies or an unexpected discount will show your customers that you really do care about providing them with value.



Other possibilities could be – a free aperitif, an unordered side dish, a small portion of a new addition to the menu, a glass of wine on the house, or even just an extra chocolate with their bill.

16. Customer Loyalty and Rewards Programs

The implementation of a customer loyalty and rewards program has worked wonders for many restaurants across the world. Getting your customers into your rewards program funnel is one of the most powerful ways to keep them buying from you over and over again.

Loyalty and rewards programs make your customers feel "special" because they are part of your "discount and coupons" club, which means they get first notifications of any special offers you may have.

Let's take a closer look at loyalty and rewards programs...

The Importance of Customer Loyalty and Rewards Programs

The sole purpose of a customer rewards program is to keep your competition at bay by motivating your happy customers to continue to do business with you.

Implementing strategies to retain your existing customers is much more affordable than aggressively prospecting for new customers. So any money spent on loyalty and rewards programs will lead to customer retention and repeat sales, which is always worth it.

What Exactly Is a Customer Rewards Program?

A customer rewards program is a marketing strategy that is adapted by restaurants with the purpose of creating repeat, loyal customers.

Many business industries only see an increase in sales during special events or peak seasons; that's unless they have a customer loyalty and rewards program, which is designed to help them see an increase in sales consistently.

Once you implement your loyalty program, encourage every single customer – and potential customer - to join for the best results.

Using email or text messages, you can be in direct contact with your local customers, resulting in repeat sales and higher profits.

What is the very Simplest Way to Start a Rewards Program?

The very simplest way to start a rewards program is to create an email newsletter for your customers (see method 1 above), call it your 'Email Rewards Program' and give your readers some sort of reward (discount etc) in each email you send them.

Why Use a Customer Rewards Program?

A customer reward program is a great way of keeping your customers loyal, excited, and happy about their relationship with you. While your customers will see bigger savings just for being a member of your loyalty program, your business will see many benefits as well:

- 1. **Repeat business**. Your loyalty club members will receive a lot of perks just for being a member... so they're excited about coming back for more. Due to the fact that they are enrolled in your loyalty program naturally encourages more spending. Every time they spend, they get rewards and you get more money. So it's a win-win for everyone involved!
- 2. More Profits. Your customers are likely to get hooked on your rewards program, which is great. The longer they stay, the more money you will make in the long run. Does it look like Monday night is your slowest night for the past several months? Shoot out an email or a text message to your program members and let them know about an awesome special offer you have just for club members on Monday nights. That won't cost you much, but it sure could add a few extra hundreds of pounds to your bank account.
- 3. **Instant Contact with Club Members.** Whenever you get an idea about an offer to send to your loyalty club members, there's no waiting. You can send it out instantly and many of them will see it within minutes.

What are the Different Types of Rewards Programs & Incentives?

- ② Buy One, Get One Free
- ② Buy One, Get One Half-Off
- ② Bring a Friend Deals
- ① £ Amount or Percentage Off if Spend a Certain £ Amount
- ① £ Amount or Percentage Off of Total Purchase
- ② Birthday Discounts and Freebies
- Free Meals, Starters, Wine etc After a Certain Number of Purchases
- ② Earn "Points" for Every Meal Purchased
- ② And many others...

Deciding which type of rewards program and incentives are best for you takes some research; it can be different for every restaurant and heavily depends on your restaurant and the type of market you cater to.

Just choose the structures that make the most sense for your customers; be sure to test out different strategies to see which ones work the best for you.

Of course, you don't need to just decide on one type of incentive (such as Buy One, Get One Free). Using some of the other ideas in this guide, you may decide that your 'Club' will be an email, text or Facebook club where you send out regular offers that can be made up of a number (or all) of the incentives at different times.

Tips for Starting a Successful Rewards Program

Plan it Out – before you start anything, develop a detailed plan that outlines how you will run your customer loyalty rewards program. How will your points system be structured? What are your rewards? If the system does not work, what is your exit strategy? Answer all of these questions and more when planning out your rewards program for the best results.

- Ask Your Customers What They Want this can be done by sending a quick email or text message... or even simply asking your customers who come into your restaurant. Take their feedback and create programs that will make them flock to your business for the long-haul.
- Make it Easy for People to Sign up keep it simple. You can have them opt-in to your mobile or email list... or you can have them fill out a short form in your restaurant... or on your Facebook page... the possibilities are endless. Just keep the sign up form short and appealing.
- Make Sure Your Rewards are Valuable make it worth your customers' time to participate in your rewards program. Your offers must be worth it for the customer to join, and stay in your club.
- Initiate the Program. Let all of your staff know the details of the program so that they can explain how it works to your customers. Also, make all customers aware of your new loyalty program by informing them through website updates, emails, posters in your restaurant, text message and many other means of communication

Ask EVERYONE to Join Your Rewards Program

When implementing a customer loyalty and rewards program, your main goal will be to invite as many people as possible to join.

It's as simple as asking all of your customers, "Would you like to join our rewards program (or Club) and receive discounts and offers on future meals?"

Not asking people to join is like letting money slip through your fingertips because once they join, you will have a direct marketing connection to them.

Take advantage of all means of communication, such as:

- Ask customers who visit your establishment
- Ask your Social media followers
- Post in-restaurant signs

- Send an e-mail to your list
- Send a text message to your list
- Post it on your website or blog
- Put it on your flyers and direct mail
- **Don't give up**. There may be a point, especially during the first few days or weeks, when you feel like the strategy is not working but be consistent and don't give up. Over time, you should begin to see the rewards as you start to generate more repeat visits without having to spend a ton on advertising.

The main reason customer reward programs work so well is because everyone stands to get something great out of the customer-restaurant relationship – your business and your customers.

Many people are willing to go the extra mile just to get the special discounts and rewards in the future. If correctly implemented, a loyalty program could completely change the fate of a struggling restaurant.



Conclusion

What are **you** doing to keep your restaurant customers coming back time after time? If you have not implemented any marketing strategies or processes that promote customer loyalty and retention, now is the perfect time to get started.

The tools in this short report really can help to keep your customers loyal for life.

Over time, your restaurant will realise increased sales, profits, and ROI... which is exactly why keeping your customers satisfied, engaged, and informed is no longer an option... it's a MUST.

Not only will they continue to choose your restaurant, but they will also send even more potential repeat diners your way.

I sincerely hope that you will use some of the ideas in this report (and in particular, the idea of creating your own email newsletter) to boost your profits in 2014 and beyond.

I am so passionate about the power of email marketing for restaurants that it will be my main focus with my restaurant clients this year.

If you don't have an email newsletter yet for your restaurant, I hope I can at least convince you to look into the difference it could make to your profits at a very very low cost.

I wish you every success for a profitable future.

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About the Author

"Chris Towland is a local marketing expert and author who has worked (both directly and indirectly) with hundreds of small businesses across the UK to help them improve their marketing and boost their profits.

Chris was recently called an "internet marketing expert" by former Dragon's Den star Rachel Elnaugh who was so impressed with Chris's SEO DVD's that she recorded a video recommendation of it.

He is also the author of a number of popular business books, DVD's, online courses and audio-books."



- Dramatically boost your customer numbers
- Get more repeat business and bigger customer spend
 - Create a big local buzz about your restaurant
- Fill up those empty tables during your least busy times

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